Texas Commission on Environmental Quality (TCEQ) Light-Duty Motor Vehicle Purchase or Lease Incentive Program (LDPLIP) Manufacturer Information Request Forms Instructions for Completion and Submission Revised – April 5, 2018

Introduction

The Light-Duty Motor Vehicle Purchase or Lease Incentive (LDPLIP) was re-established by the Texas Legislature in 2017 under Senate Bill (SB) 1731. The LDPLIP is an incentive program of the Texas Emissions Reduction Plan (TERP), and is codified under Texas Health and Safety Code (THSC), Chapter 386, Subchapter D. This new program is similar to the LDPLIP that was administered by the Texas Commission on Environmental Quality (TCEQ) in 2014 - 2015. However, some of the key eligibility criteria are different from the previous program.

The LDPLIP provides rebate incentives statewide to persons who purchase or lease an eligible new light-duty motor vehicle powered by compressed natural gas (CNG), liquefied petroleum gas (LPG), hydrogen fuel cell or other electric drive (plug-in or plug-in hybrid).

Only vehicles purchased or leased in Texas are eligible for the incentive. For vehicles purchased and then converted to operate on an eligible fuel within 500 miles of operation after first sale, both the sale or lease of the vehicle and the installation of the eligible fuel system must occur in Texas.

Purpose

These guidelines provide information and instructions for a manufacturer of eligible new light-duty motor vehicles, an intermediate or final state vehicle manufacturer, or a manufacturer of compressed natural gas (CNG) or liquefied petroleum gas (LPG) conversion systems to submit reports to the TCEQ on eligible vehicle models and conversion systems the manufacturer intends to sell in Texas during the new model year.

To be eligible for an incentive, a vehicle or conversion system must be included on the list of eligible vehicle models and conversion systems compiled by the TCEQ and published on the TCEQ's website, <www.terpgrants.org>. In order for a manufacturer to ensure that its vehicle or conversion system is included on the list, the manufacturer must submit a report to the TCEQ listing the new light-duty motor vehicle models and conversion systems meeting the eligibility requirements.

Use this guide as a companion to the rules in Title 30 Texas Administrative Code (30 TAC) §§114.610–114.613. Note, the eligibility criteria outlined in this guide are subject to final adoption of the program rules and any subsequent changes to those rules. It does not take the place of the statutes or rules. If you have any questions, please call 800-919-TERP (8377).

New Vehicles vs. Converted Vehicles

A light-duty vehicle manufacturer or an intermediate or final state vehicle manufacturer should include in the report those vehicle models eligible for an incentive that the manufacturer intends to sell in Texas for that model year. Vehicles sold outside of Texas will not be eligible.

A manufacturer of a CNG or LPG conversion system that will be installed on vehicles as part of a flow-through process or other approved process prior to the first sale of the vehicle should provide information on the conversion system and the vehicle models on which the conversion system is authorized for installation by the United States Environmental Protection Agency (EPA). In those cases, the vehicle will need to be sold or leased in Texas, but the conversion system may have been installed outside of Texas. This is because all related purchase costs, including taxes, for the vehicle and the conversion of the vehicle will be included and paid as part of the sale of the converted vehicle in Texas.

A manufacturer of a CNG or LPG conversion system that will be installed within 500 miles of operation after first sale of the vehicle in Texas should also provide information on the conversion system and the vehicle models on which the conversion system is approved for installation by the EPA. For conversion systems to be installed on a vehicle after first sale of the vehicle, both the original vehicle purchase or lease and the conversion of the vehicle must occur in Texas.

Potential Incentives

The LDPLIP offers a rebate of up to \$5,000 to persons who purchase or lease an eligible new light-duty motor vehicle powered by CNG or LPG, and up to \$2,500 for an eligible new light-duty motor vehicle powered by a hydrogen fuel cell or other electric drive (plug-in or plug-in hybrid). The incentives apply to an eligible light-duty motor vehicle that meets the standards under 30 TAC §114.612 and is included on the list of eligible vehicle models and conversion systems compiled by the TCEQ and listed on its website.

The incentive for a lease will be prorated on a three-year lease basis, with a one-year lease eligible for 33.3% of the maximum rebate, a two-year lease eligible for 66.6% of the maximum rebate, and a three-year lease eligible for 100% of the maximum rebate.

Vehicle Eligibility

Under this program a light-duty motor vehicle is defined as a motor vehicle with a gross vehicle weight rating (GVWR) of 10,000 pounds or less. Vehicles classified by the EPA as a "Medium-Duty Passenger Vehicle" or a "Class 2b Heavy-Duty Vehicle" with a GVWR up to and including 10,000 pounds are included in this definition, in addition to light-duty vehicles with a GVWR of 8,500 pounds or less.

Vehicles must meet the eligibility standards in 30 TAC §114.612(a). General vehicle eligibility criteria are explained below.

Eligible vehicles include:

- a new light-duty motor vehicle powered by CNG or LPG that:
 - o has four wheels;
 - was originally manufactured to comply with and has been certified by an original equipment manufacturer or intermediate or final state vehicle manufacturer as complying with, or has been altered to comply with, federal motor vehicle safety standards, state emissions regulations, and any additional state regulations applicable to vehicles powered by compressed natural gas or liquefied petroleum gas;
 - o was manufactured for use primarily on public streets, roads, and highways; has a dedicated or bi-fuel compressed natural gas or liquefied petroleum gas fuel system installed prior to first sale or installed in Texas within 500 miles of operation of the vehicle following first sale, and with a range of at least 125 miles as estimated, published, and updated by the EPA; and
 - o has, as applicable, a:
 - compressed natural gas fuel system that complies with the 2013 (or newer) National Fire Protection Association (NFPA) 52
 Vehicular Gaseous Fuel Systems Code and American National Standard for Basic Requirements for Compressed Natural Gas
 Vehicle Fuel Containers, commonly cited as "ANSI/CSA NGV2"; or
 - liquefied petroleum gas fuel system that complies with the 2011 (or newer) NFPA 58 Liquefied Petroleum Gas Code and Section VII of the 2013 (or newer) American Society of Mechanical Engineers Boiler and Pressure Vessel Code; or
- a new light-duty motor vehicle powered by electric drive that:
 - o has four wheels:
 - was manufactured for use primarily on public streets, roads, and highways;
 - the powertrain has not been modified from the original manufacturer's specifications;
 - o has a maximum speed capability of at least 55 miles per hour; and
 - o is propelled to a significant extent by an electric motor that draws electricity from a hydrogen fuel cell or from a battery that:
 - has a capacity of not less than four kilowatt hours; and
 - is capable of being recharged from an external source of electricity.

Manufacturer's Annual Reporting Requirement

Manufacturers of eligible light-duty motor vehicles, intermediate or final state vehicle manufacturers, and CNG and LPG conversion system manufacturers, as applicable, must submit a report to the TCEQ upon request and then no later than July 1 of the year preceding the next new model year. The report must contain the information requested on the Information Request Forms for Manufacturers of New Light-Duty Motor Vehicles or the Information Request Forms for New Light-Duty Motor Vehicle Conversion Systems (TCEQ-10432a and TCEQ-10432b), provided by the TCEQ.

Manufacturers may supplement the list as necessary to include additional new light-duty motor vehicle models and CNG or LPG systems a manufacturer intends to sell in Texas during the model year. The manufacturer may submit all required information on the Information Request Forms for Manufacturers of New Light-Duty Vehicles or the Information Request Forms for New Light-Duty Motor Vehicle Conversion Systems (TCEQ-10432a and TCEQ-10432b).

The TCEQ will list on its website the eligible light-duty motor vehicles and CNG and LPG conversion systems, including any supplements to the list, from data submitted annually by the manufacturers in their reports. The TCEQ may supplement the list from information derived from other sources.

Form Instructions

All respondents should select the appropriate Information Request Form. The instructions for completing the Information Request Forms are numbered in the same order as the questions on the form. Blank forms are available on the program's website at <www.terpgrants.org> — select the LDPLIP link under "TERP Grant Programs." All reports must be typed.

Submission

Each separate mail package, fax, or e-mail must include its own completed and signed Form 1 – Contact Information page.

Regular Mail:

Texas Commission on Environmental Quality Air Quality Division Implementation Grants Section (LDPLIP Info Request), MC-204 P.O. Box 13087 Austin, TX 78711-3087

Express Mail:

Texas Commission on Environmental Quality Air Quality Division Implementation Grants Section (LDPLIP Info Request), MC-204 12100 Park 35 Circle Austin, TX 78753

Fax:

Please use a cover sheet and send to 512-239-0077, Attn: LDPLIP Info Request.

E-mail:

Please include the phrase "LDPLIP Info Request" in the subject line and send to <terp@tceq.texas.gov>.

Submission Deadline

The TCEQ will accept submissions on a continuous basis as vehicles, engines, or conversion systems are certified by the EPA.

Information Request Form for Manufacturers of New Light-Duty Motor Vehicles (TCEQ – 10432a)

The Information Request Form for Manufacturers should be used for new light-duty vehicles powered by CNG, LPG, hydrogen fuel cell or other electric drive (plug-in or plug-in hybrid) and certified to the current federal emission standards. This form should not be used for vehicles that are originally manufactured to operate on gasoline or diesel fuel, even if the conversion of the vehicle may occur prior to first sale of the vehicle. Use Form TCEQ-10432b for vehicle conversions.

Form 1. Contact Information

All entities submitting information to the TCEQ should complete Form 1. Identify a contact person for the response and all the information contained within, and provide background information on your company or entity.

Section 1. Company/Entity Information

Supply the company/entity name.

Section 2. Company Representative

Supply the Company Representative's name, title, mailing address, contact phone number, fax number, and e-mail address.

Section 3. Type of Entity

Identify if the company/entity is a manufacturer of:

- new compressed natural gas (CNG) or liquefied petroleum gas (LPG) lightduty motor vehicles; or
- new hydrogen fuel cell or other electric drive (plug-in or plug-in hybrid) light-duty motor vehicles.

Section 4. Certification

The company representative must sign and date Form 1 in ink to certify that the company listed is the manufacturer of the motor vehicle(s) listed in this form; the information provided is true to the best of the signer's knowledge; the vehicles listed meet the eligibility requirements defined herein; and that the signer is authorized to submit the forms in order to demonstrate compliance with the provisions of 30 TAC §114.613.

Form 2. List of Eligible New Light-Duty Motor Vehicles Powered by CNG, LPG, Hydrogen Fuel Cell or Other Electric Drive (Plug-in or Plug-in Hybrid)

Complete the table on Form 2 for CNG, LPG, hydrogen fuel cell or other electric drive (plug-in or plug-in hybrid) vehicles that will be manufactured as an eligible light-duty motor vehicle to be sold in Texas. Complete and print as many copies as necessary.

List of Eligible Vehicles

For different model years of the same vehicle make and model, enter the information for each model year on separate columns in the table.

Engine/Vehicle Test Group/Family Name: Enter the engine or vehicle test group or family name on the Certificate of Conformity issued by the EPA for the engine/vehicle.

Vehicle Make: Enter the name of the company responsible for the manufacture or assembly of the vehicle. (Example: Chevrolet)

Vehicle Model: Enter the name of the specific combination of car line, body style, and drive-train configuration for the vehicle. (Example: Camry Hybrid XLE). Only vehicle models with a GVWR at or below 10,000 pounds are eligible. (For heavy-duty vehicle models that may also come in configurations above 10,000 pounds GVWR, be sure to list enough information to distinguish the eligible configuration from the higher weight configuration. In those situations, please also attach any available specifications for the vehicle models.)

Intermediate or Final State Vehicle Make (if applicable): If an intermediate or final state manufacturer provides the final completed vehicle for sale or lease, enter the name of the company responsible for the final vehicle.

Vehicle Model Year: Using four digits, enter the year of the manufacturer's annual production period in which the vehicle was manufactured. (Example: 2018)

Gross Vehicle Weight Rating (GVWR): Enter the GVWR for the vehicle. (Example: 8,500 lbs.) If the vehicle model is sold in several weight configurations, include the GVWR range (Example: 8,500 to 9,500 lbs.)

Fuel Type: Enter the fuel type for the vehicle. For bi-fuel vehicles, include both fuel types. (Example: CNG or GAS, ELC, GAS or ELC, etc.)

CNG = compressed natural gas **HYD** = hydrogen fuel cell

DSL = diesel **GAS** = gasoline

ELC = electric **LPG** = liquefied petroleum gas (propane)

E85 = ethanol/gasoline blend

Fuel System: Indicate if the engine is a dedicated engine or a bi-fuel engine.

If Electric, Battery Capacity: For electric vehicles, identify the battery capacity or battery range in kilowatt hours.

If CNG or LPG, Fuel System Range: For CNG and LPG vehicles, identify the range of the fuel system. The range must be no less than 125 miles for CNG and LPG vehicles.

EPA Emissions BIN Designation: Identify the vehicle/engine BIN designation. If no BIN designation currently exists, list the emission standard in grams/mile.

Engine Displacement Capacity: Enter the engine displacement as specified on the Certificate of Conformity issued by the EPA and as indicated on the motor vehicle's VECI label. (Example: 2.4 liters)

Certificate of Conformity: Please include a copy of the EPA Certificate of Conformity or California Air Resources Board (CARB) Executive Order for the Test Group/Family Name you are requesting to be included on the eligible light-duty motor vehicle list. The Test Group/Family Name entered on this form must match the accompanying EPA Certificate of Conformity or CARB Executive Order.

Information Request Forms for New Light-Duty Motor Vehicle Conversion Systems (TCEO – 10432b)

This form should be used for systems to convert a new light-duty motor vehicle after initial manufacture of the new vehicle. The converted vehicle must be certified by the EPA to the current federal emission standards.

Form 1. Contact Information

All entities submitting information to the TCEQ should complete Form 1. Identify a contact person for the response and all the information contained within, and provide background information on your company or entity.

Section 1. Company/Entity Information

Supply the company/entity name.

Section 2. Company Representative

Supply the Company Representative's name, title, mailing address, contact phone number, fax number, and e-mail address.

Section 3. Certification

The company representative must sign and date Form 1 in ink to certify that the company listed is the manufacturer of the system(s) listed in this form; the information provided is true to the best of the signer's knowledge; the vehicles listed meet the eligibility requirements defined herein; and that the signer is authorized to submit the forms in order to demonstrate compliance with the provisions of 30 TAC §114.613.

Form 2. List of New Light-Duty Motor Vehicle Conversion Systems

Complete the table on Form 2 for systems to convert a new light-duty motor vehicle after initial manufacture before first sale of the new vehicle or within 500 miles of operation after first sale of the vehicle.

<u>List of Eligible Vehicle Conversion Systems</u>

For different conversion system model years of the same conversion system make and model, enter the information for each model year on separate columns in the table.

Conversion System Test Group/Family Name: For conversion systems that will be installed after manufacture of the vehicle and that have a separate engine/vehicle family name, include the engine/vehicle family name as listed on the Certificate of Conformity issued by the EPA for the conversion system. For a conversion system authorized for installation on several vehicle models, complete a separate column for each vehicle make, model, and model year on which the conversion system may be installed (must match the EPA Certificate of Conformity and the list of EPA-compliant Alternative Fuel Conversion Systems, found on the EPA website at < https://www.epa.gov/vehicle-and-engine-certification/lists-epa-compliant-alternative-fuel-conversion-systems>).

Conversion System Manufacturer: Enter the name of the company that manufactures the conversion system.

Conversion System Model: Enter the conversion system model number.

Conversion System Model Year: Enter the model year of the conversion system as listed on the Certificate of Conformity issued by the EPA.

Original Vehicle Test Group/Family Name: Enter the vehicle family name on the Certificate of Conformity issued by the EPA for the original vehicle.

Vehicle Make: Enter the name of the company responsible for the manufacture or assembly of the vehicle on which the conversion system may be installed. (Example: Chevrolet)

Vehicle Model: Enter the name of the specific combination of car line, body style, and drive-train configuration for the vehicle. (Example: Camry Hybrid XLE). Only vehicle models with a GVWR at or below 10,000 pounds are eligible. (For heavy-duty vehicle models that may also come in configurations above 10,000 pounds GVWR, be sure to list enough information to distinguish the eligible configuration from the higher weight configuration. In those situations, please also attach any available specifications for the vehicle models.)

Vehicle Model Year: Using four digits, enter the year of the manufacturer's annual production period in which the vehicle was manufactured. (Example: 2018)

Fuel Type: Enter the fuel type for the engine/vehicle after conversion. For bi-fuel engines/vehicles, include both fuel types. (Example: CNG or GAS, ELC, GAS or ELC, etc.)

CNG = compressed natural gas **HYD** = hydrogen fuel cell

DSL = diesel GAS = gasoline

ELC = electric **LPG** = liquefied petroleum gas (propane)

E85 = ethanol/gasoline blend

Fuel System: Indicate if the converted engine is a dedicated engine or a bi-fuel engine.

Fuel System Range: For CNG or LPG vehicles, identify the range of the fuel system. Range must be no less than 125 miles for CNG and LPG vehicles.

Engine Displacement Capacity: Enter the engine displacement as specified on the Certificate of Conformity issued by the EPA and as indicated on the motor vehicle's VECI label. (Example: 2.4 liters)

Gross Vehicle Weight Rating (GVWR): Enter the GVWR for the vehicle. (Example: 8,500 lbs.)

EPA Emissions BIN Designation: Please identify the converted engine's BIN designation. If no BIN designation currently exists, list the emission standard in grams/mile.

Will this system be available as part of the vehicle purchase? For CNG or LPG Conversion Systems, indicate if the system will be available through a flow-through process approved by the vehicle manufacturer as part of the vehicle purchase.

Will this system be available for conversion after vehicle purchase? For CNG or LPG Conversion Systems, indicate if the system will be available for conversion after the vehicle purchase. Note, systems installed after the first sale of the vehicle must be sold and installed in Texas.

Certificate of Conformity: Please include a copy of the EPA Certificate of Conformity or California Air Resources Board (CARB) Executive Order for the Conversion System you are requesting to be included on the Light-Duty Motor Vehicle Conversion Systems List. The test group/family name must match the EPA Certification of Conformity or CARB Executive Order.

How to Get TCEQ Forms, Rules, and Publications

There are several ways to get more information on the LDPLIP:

- On the Web, visit <www.terpgrants.org> and select the LDPLIP link under *TERP Grant Programs*.
- E-mail: direct inquiries to <terp@tceq.texas.gov>.
- Call: 1-800-919-TERP (8377).